

EXHIBIT C

Panoche Water District, Board of Directors Minutes of Meetings for January 14,
1992 and January 12, 1993.

MEETING OF THE BOARD OF DIRECTORS

PANOCHE WATER DISTRICT

JANUARY 14, 1992

A regular meeting of the Board of Directors of Panoche Water District was held at the office of the District located at 52027 West Althea Avenue, Firebaugh, California 93622, on January 14, 1992, at 9:00 a.m. with President Mike Linneman presiding.

Those present at the meeting were:

Mr. Mike Linneman	- President	Mr. Dennis Falaschi	- General Manager
Mr. Ed Koda	- Vice-Pres.	Mr. Don Anderson	- Watermaster
Mr. John Williams	- Director	Ms. Diane Rathmann	- Legal Counsel
Mr. Mike Stearns	- Gen. Mgr., Hammonds Ranch		

Director Hammonds was absent.

Director Williams moved to approve the minutes of the December 10, 1991 meeting as mailed. The motion was seconded by Director Koda and passed unanimously.

The accounts payable of the District were presented to the Board of Directors. After a brief discussion, Director Williams moved to approve the accounts payable as presented. The motion was seconded by Director Koda and passed unanimously. The General Manager was asked to provide a breakdown of the PG&E costs for the next board meeting.

The General Manager summarized water purchases and deliveries for December. The remaining water entitlement for the 1991-92 water year is 5,344 acre-feet. The USBR has indicated that DMC well water credits cannot be rescheduled into 1992 water year. Data were presented showing inflow into Shasta Reservoir. As of January 12, 1992, storage was 53% of 10 year average, accumulated inflow for water year to date was 55% of 10 year average and accumulated precipitation for water year to date was 55% of average. Although the accumulated precipitation to date this year is greater than that of the drought of 1977 for the same date, accumulated inflow is less than 1977 because of the successive dry years causing less runoff.

Watermaster Anderson reported on the status of the construction of the Phase III work currently under way. The pipeline work has essentially been completed with a few items remaining such as installing the gates at the diversion structure and metering box. PWD personnel are installing the turnouts along the precast pipeline. Robal Concrete has completed lining a portion of the ditch at Herndon Ave., and Oxford Road and MacElvaney Construction has been contacted to install the turnouts and appurtenances. The work should be completed by the end of the month.

Ms. Rathmann reported on the NRDC-Duvall lawsuit on rules and regulations. A scheduled hearing had been delayed but further environmental compliance should be required. The existing rules should remain in effect.

Ms. Rathmann reported that press conferences were being held by Sen. Seymour on his proposed fish and wildlife bill. Ms. Rathmann had attended a meeting with EDF where some compromises were reached on stating the bill. A meeting is scheduled with the Steering Committee and Rep. Dooley later this month.

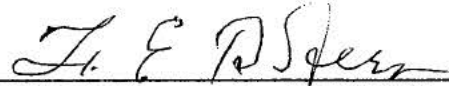
Ms. Rathmann addressed issues regarding the Endangered Species Act. The Glenn-Colusa Irrigation District received a court order enjoining the district from pumping water during the Chinook salmon's downstream migration.

A resolution was presented by Ms. Rathmann for board approval authorizing execution and delivery of an amended and restated Joint Exercise of Powers Agreement of the San Luis and Delta-Mendota Water Authority. The agreement, in addition to other actions, gives Panoche Water District a directorship on the Authority. After a brief discussion, Director Williams moved to adopt Resolution 386-92. The motion was seconded by Director Koda and passed unanimously.

Director Williams moved to adjourn the meeting. The motion was seconded by Director Koda and passed unanimously. The meeting was adjourned at 10:07 a.m.



VICE-PRESIDENT - ED KODA



SECRETARY - F.E. REDFERN

MEETING OF THE BOARD OF DIRECTORS

PANOCHÉ WATER DISTRICT

JANUARY 12, 1993

A regular meeting of the Board of Directors of Panoche Water District was held at the office of the District located at 52027 West Althea Avenue, Firebaugh, California 93622, on January 12, 1993, at 9:00 a.m. with President Mike Linneman presiding.

Those present at the meeting were:

Mr. Mike Linneman	- President	Mr. Dennis Falaschi	- Gen. Manager
Mr. Ed Koda	- Vice-Pres.	Mr. Don Anderson	- Watermaster
Mr. Mike Stearns	- Director	Ms. Diane Rathmann	- Legal Counsel
Mr. John Williams	- Director		
Mr. Ross Koda	- Landowner		

Director Redfern was absent.

Upon motion made by Director Williams, seconded by Director Koda, and duly passed, the minutes of the December 15, 1992 meeting were approved as mailed.

Payment of Bills

The accounts payable of the District were presented to the Board of Directors. Director Williams moved to approve the accounts payable as presented. The motion was seconded by Director Stearns and passed unanimously.

Water Supply and Deliveries

General Manager Falaschi reported on the status of reservoir storage and inflow in the CVP system. The Bureau's Daily CVP Water Supply Report shows for January 10, 1993 that Shasta Reservoir had storage of 2,188,700 ac-ft which is 91% of the 10-yr average and accumulated inflow for the year to date has been 946,000 ac-ft which is 83% of the 10-yr average. Inflow into Shasta Reservoir is 4,334 cfs with releases at Keswick Dam at 3,000 cfs. Precipitation to date at Shasta is 120% of normal. Federal storage in San Luis Reservoir is currently 227,400 ac-ft which is 36% of the 10-yr average.

The general manager reported that Tracy pumping is at full capacity due to inflows from eastside tributaries. The general manager explained that possibly before the District could get any kind of allocation this year, nearly 1,400,000 ac-ft of water would have to be pumped into the San Luis Reservoir to meet other uses such as the Exchange Contractors, the wildlife refuges, Grassland Water District, M&I, and losses. To meet this requirement, it would take about 166 days of full capacity pumping at Tracy.

The general manager reported that the District's December Bureau water use was 1,591 ac-ft. The total Bureau water remaining to date is 11,990 ac-ft, of which 2,974 ac-ft is District water.

The general manager reviewed 1993 water year estimated O&M rates under various water supply scenarios prepared by the CVP Water Association.

The general manager reminded the Board of the upcoming San Luis and Delta-Mendota Water Authority annual luncheon meeting to be held January 19, 1993 in Los Banos. The meeting would also honor two retiring Bureau staff. Upon motion made by Director Williams, seconded by Director Stearns and duly

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passed, the Board authorized Resolution 401-93 honoring Don Paff and Resolution 402-93 honoring Neil Scheild for their service to the Bureau of Reclamation.

The general manager stated that the Bureau will continue to regulate well pumping into the Delta-Mendota Canal as last year. The Bureau would like to consolidate both groups of pumpers, those that pump into the DMC and those that pump into the Mendota Pool, for the purpose of water quality regulation. Future meetings are scheduled to discuss this.

The general manager reviewed current District construction and maintenance operations. The T-Canal work is essentially complete with some money remaining from the COP fund.

Federal/State Affairs

Ms. Rathmann reported that the period for commenting on the State Water Resources Control Board Water Right Decision 1630 (D-1630) had been extended to January 15 but efforts were being made to extend it for another 30 days. The SL&DMWA has directed more input to the State Board on studying the issue of reverse flows in the Delta which is the limiting factor on pumping. The concern is that if something is not done on the Delta by the State Board, the EPA will come in under the Clean Water Act and issue its own set of water quality guidelines which will be even less balanced to meet the needs of the state. The SL&DMWA will therefore make constructive criticism where inadequate documentation exists and of current models used for predictions. The State has indicated that their objective in D-1630 has been to protect the wildlife without unreasonably burdening water users. Ms. Rathmann indicated the District may wish to comment on that portion of D-1630 that requires water rights holders to ensure that deep percolation does not exceed 0.4 ac-ft/ac per year on the average.

Ms. Rathmann reported that the Bureau had presented draft guidelines for water transfers under the PL 102-575 (CVP Improvement Act). The existing transfers will remain as currently processed. New costs affecting the District under the law will take effect in 1994.

Ms. Rathmann reported that the Biological Assessment under which Tracy pumping is now regulated expired as of December 31, 1992 and a new opinion is due soon. In the interim, The National Marine Fisheries Service (NMFS) has stated that the D-1630 regulations should apply which means that any time there are reverse flows in the Delta, pumping restrictions will be enforced.

The general manager reported that he has agreed to serve on a committee on the formation of a Political Action Committee (PAC). The PAC will consist of growers and other interested parties to work on water issues.

Resolution-Purchase of Supplies, Equipment and Services

As required by the California Government Code, the District is required to adopt policies and procedures, including bidding regulations, governing purchases of supplies, services and equipment. Upon motion made by Director Stearns, seconded by Director Williams and duly passed, the Board approved adoption of Resolution 400-93, Regulation Governing Purchases of Supplies, Equipment and Services.

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Miscellaneous

The general manager reviewed a delinquent account in the amount of \$32,774.25. The landowner has stated that he is interested in clearing the account and will work out a plan to make up payments. The landowner has indicated he can transfer water into the District which could be sold to clear the account. Rather than to initiate action of placing a lien on the landowner's property, the Board agreed to await the results of a scheduled meeting between the general manager and the landowner on a schedule and plan on being able to clear the delinquency. A letter will be written following the meeting documenting the plan.

Adjournment

Director Koda moved to adjourn the meeting. The motion was seconded by Director Stearns and passed unanimously. The meeting was adjourned at 10:35 a.m.



PRESIDENT MIKE LINNEMAN



ASST. SECRETARY - JOHN WILLIAMS